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February 25, 2022

Subject Management's Discussion and Analysis for the operating results of the year 2021 which decreased over 20% from the previous year

Attention President
The Stock Exchange of Thailand

Charoen Pokphand Foods Public Company Limited would like to inform you the operating results of the Company and subsidiaries (collectively called the "Company") for the year 2021 as follows:

The Company's revenue from sales in 2021 amounted to Baht 512,704 million, a decrease of 13% from the previous year which mainly resulted from the deconsolidation of Chia Tai Investment Co., Ltd. ("CTI") in December 2020. Without impact of the CTI deconsolidation, sales revenue in 2021 increased by 10%.

In 2021, Thailand and Vietnam have faced severe outbreak of the Covid-19 and lockdown measures were imposed to control the disease. The lockdown has impacted both consumer purchasing power and the Company's operating expenses which resulted in the Company's net profit for year 2021 to drop to Baht 13,028 million, a 50% decreased from previous year with the following key factors:

- 1) Gross profit margin was 13%, lower than last year's of 18%** due to a 20% decline in swine price in Vietnam and higher animal feed production cost compared to previous year due to an increase in raw material prices. Furthermore, the drop of swine prices also resulted in a decrease in gain (loss) of fair value of biological assets by Baht 2,111 million from last year.
- 2) Share of profit of associates decreased Baht 5,087 million** from the previous year due to decreased performance of associate companies in China, Canada, and CP All.

Please be informed accordingly.

Sincerely yours,

Kobboon Srichai
(Mrs. Kobboon Srichai)
Company Secretary